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# Dollars and rubles: apples and oranges

By LARS-ERIK NELSON

**W**ASHINGTON—The fallacy of the logic should have been apparent at once, but the argument has become entrenched over the past couple of years: If the United States had spent as much on defense as the Russians did during the 1970s, we would today be able to deploy:

- All 244 new B-1 manned bombers. Instead we have none.

- All 200 MX mobile intercontinental nuclear missiles, with 5,000 shelters for them to shuttle among. Instead, we have none.

- 13 Trident submarines. We have none operational.

- 1,200 carrier-based jet fighters, 2,000 high-performance land-based fighters, 7,000 XM-1 tanks and new planes to carrier troops into combat situations.

All that could have been bought for the \$104 billion the Russians outspent us by in the 1970s.

But the flaw in the argument is this: The Russians allegedly did spend the money—and they don't have anything like 244 B-1 bombers, 200 MX missiles with 5,000 shelters and all the other goodies cited above.

Seeking to attract attention to an ominously rising Soviet defense program, Sen. Sam Nunn (D-Ga.) cited the above shopping list in 1979. But the argument has since run away with itself. What is essentially an educated guess about Soviet defense programs has become the basis for hard-and-fast U.S. defense planning—and a whip with which to beat down those who question whether the U.S. has to make defense expenditures as massive as those called for by the Reagan administration.

Some basic facts: Russians don't spend dollars for defense. They spend rubles. They print as many rubles as they need. Their economy is not comparable with ours by any clear and commonly understood yardstick. We can be compared in terms of output: how much steel smelted, how much grain harvested, how many automobiles or tanks or planes produced. But not in how much we "spend" on defense.

To help U.S. policymakers estimate the Soviet defense burden, the Central Intelligence Agency has adopted the practice of making dollar estimates of the Soviet defense budget. It cannot simply convert the published Soviet defense budget from rubles into dollars for there is no published Soviet defense budget that can be trusted. Therefore, it estimates what it would cost the Pentagon, in dollars, to build a MiG-23. It tots up the salary of Soviet soldiers at American rates of pay—even though a Soviet private earns three rubles a month and an American private earns about \$450.

**T**HE CIA is frank to admit the weaknesses of its methodology. "It doesn't measure actual Soviet defense expenditures or their burden on the Soviet economy," one dollar-estimate warned. Yet in pleading for a higher U.S. defense budget before the Senate Armed Services Committee, Defense Secretary Caspar Weinberger declared, "The CIA estimates of the dollar cost of the Soviet military effort show it to be approximately 50% larger than ours." Whatever that means.

Last week, the CIA revised another of its estimates on the Soviet Union. It conceded that Russia would be more or less self-sufficient in oil for the next several years, producing about 10 or 11 million barrels a day.

A previous estimate, put out in 1977, was much grimmer. It said that by 1985 Soviet oil output could fall as low as 8 million barrels a day—meaning that Russia would not only be forced to import oil but might be tempted to seize Persian Gulf oil fields to assure its energy supplies.

Much of the Carter and Reagan administration defense planning for the Middle East was predicated on the spectre of the Soviet Union as a voracious predator, "an oil-hungry bear," as one analyst put it, moving down into the Arabian Peninsula. The new estimate means the Russians may have to tighten their belts on oil consumption, but they will not be forced to seize oil fields in desperation, an intelligence analyst says.

The United States will still have to make major efforts to defend the oil fields of the Persian Gulf. Even if the Russians don't need them, our own vulnerability, our own need for Middle Eastern oil, means we have to defend them. But the revised CIA estimate may mean the pressure is off.

The CIA cannot really be blamed for having to revise its estimates—even though it was extremely confident, almost cocky, back in 1977 when it predicted the Russians were about to run out of oil. The Soviet Union has not published an estimate of its oil reserves since 1938. In 1947, it declared them to be a state secret. Since then, CIA analysts have been forced to work with fragmentary and ambiguous information, making informed guesses and educated insights.

In both military assessments and oil projections, the problem comes when the consumers of the intelligence—the White House, Pentagon, State Department and Congress—discard all the warnings and qualifications and proceed as though the CIA estimates were iron-clad and cast in cement. Then U.S. strategic programs are devised not on the basis of what the U.S. needs, but on a guess of what the Russians might be trying to do.

It is a gray and murky area. And it would be an irony if uncritical acceptance of admittedly ambiguous estimates meant that somewhere in the bowels of the CIA there is an adding machine that can launch a thousand ships—all American, all built to meet a threat that is not as clearly perceived as we might like.

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